Annual Report 2010

Production Sector

OMB Control No. 2060-0328
Expires 07/31/2011

Company Information

Company Name: **Marathon Oil Company**
Gas STAR Contact: **Amanda San Miguel**
Title **HES Professional**
Address: **5555 San Felipe**
City: **Houston**
State: **TX**
Zip: **77056-2723**
Phone: **(713) 296-3072**
Fax: **(713) 513-6072**
E-mail: **ALSanmiguel@marathonoil.com**

Company Information Updated: **No**

Activities Reported

BMP1: No **BMP2: No** **BMP3: Yes**

Total Methane Emission Reductions Reported This Year: **366,406**

Previous Years' Activities Reported: **No**

Period Covered by Report

From: **01/01/2010** To: **12/31/2010**

☑ I hereby certify the accuracy of the data contained in this report.

Additional Comments

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BMP3: Partner Reported Opportunities (PROs)

Current Year Activities

A. Facility/location identifier information:

Texas

B. Description of PRO

Please specify the technology or practice that was implemented:

Artificial lift: gas lift (10 years)

Please describe how your company implemented this PRO:

Marathon installed an AVE (Annular Velocity Enhancer) in 3 wells. AVE is a downhole installation for long completion intervals to enhance gas lift.

C. Level of Implementation

Number of units installed: 3 units

D. Methane Emissions Reduction

Methane Emissions Reduction: **12,618 Mcf/year**

Basis for the emissions reduction estimate: **Other**

Engineering calculation based on casing diameter, well depth, shut-in pressure and number of annual vents.

E. Are these emissions reductions a one-year reduction or a multi-year reduction?

One-year ✓ Multi-year

If Multi-year:

✓ Partner will report this activity once and let EPA automatically calculate future emission reductions based on sunset date duration.

Partner will report this activity annually up to allowed sunset date.

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F. Cost Summary
Estimated cost of implementing the PRO (including equipment and labor): **$ _____**

G. Total Value of Gas Saved
Value of Gas Saved: **$ 88,326**
$ / Mcf used: **$ 7.00**

H. Planned Future Activities
To what extent do you expect to implement this PRO next year?: **Marathon continues to evaluate wells for artificial lift.**

Previous Years' Activities

Year	Frequency of practice/activity or # of Installations	Total Cost * ($)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved ($)

* Total cost of practice/activity (including equipment and labor)

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BMP3: Partner Reported Opportunities (PROs)

Current Year Activities

A. Facility/location identifier information:

Oklahoma

B. Description of PRO

Please specify the technology or practice that was implemented:

Artificial lift: install plunger lifts (10 years)

Please describe how your company implemented this PRO:

Installed plunger lifts in several wells.

C. Level of Implementation
Number of units installed: 7 units

D. Methane Emissions Reduction
Methane Emissions Reduction: **5,216 Mcf/year**

Basis for the emissions reduction estimate: **Other**

Engineering calculation based on average production and duration and number of vents.

E. Are these emissions reductions a one-year reduction or a multi-year reduction?

One-year ✓ Multi-year

If Multi-year:

✓ Partner will report this activity once and let EPA automatically calculate future emission reductions based on sunset date duration.

Partner will report this activity annually up to allowed sunset date.

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F. Cost Summary
Estimated cost of implementing the PRO (including equipment and labor): **$ _____**

G. Total Value of Gas Saved
Value of Gas Saved: **$ 36,512**
$ / Mcf used: **$ 7.00**

H. Planned Future Activities
To what extent do you expect to implement this PRO next year?: **Marathon continues to evaluate wells for artificial lift.**

Previous Years' Activities

Year	Frequency of practice/activity or # of Installations	Total Cost * ($)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved ($)

* Total cost of practice/activity (including equipment and labor)

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BMP3: Partner Reported Opportunities (PROs)

Current Year Activities

A. Facility/location identifier information:

Texas

B. Description of PRO

Please specify the technology or practice that was implemented:

Artificial lift: install velocity tubing strings (10 years)

Please describe how your company implemented this PRO:

Installed velocity strings in 2 wells.

C. Level of Implementation
Number of units installed: 2 units

D. Methane Emissions Reduction
Methane Emissions Reduction: **13,139 Mcf/year**

Basis for the emissions reduction estimate: **Other**

Engineering calculation based on casing diameter, well depth, shut-in pressure and number of annual vents.

E. Are these emissions reductions a one-year reduction or a multi-year reduction?

One-year ✓ Multi-year

If Multi-year:

✓ Partner will report this activity once and let EPA automatically calculate future emission reductions based on sunset date duration.

Partner will report this activity annually up to allowed sunset date.

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F. Cost Summary
Estimated cost of implementing the PRO (including equipment and labor): **$ _____**

G. Total Value of Gas Saved
Value of Gas Saved: **$ 91,973**
$ / Mcf used: **$ 7.00**

H. Planned Future Activities
To what extent do you expect to implement this PRO next year?: **We continuously evaluate wells for velocity string installation and expect to have several in 2011.**

Previous Years' Activities

Year	Frequency of practice/activity or # of Installations	Total Cost * ($)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved ($)

* Total cost of practice/activity (including equipment and labor)

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BMP3: Partner Reported Opportunities (PROs)

Current Year Activities

A. Facility/location identifier information:

Texas

B. Description of PRO

Please specify the technology or practice that was implemented:

Artificial lift: use capillary string (10 years)

Please describe how your company implemented this PRO:

Installed capillary strings in two wells.

C. Level of Implementation
Number of units installed: 2 units

D. Methane Emissions Reduction
Methane Emissions Reduction: **6,502 Mcf/year**

Basis for the emissions reduction estimate: **Other**

Engineering calculation based on casing diameter, well depth, shut-in pressure and number of annual vents.

E. Are these emissions reductions a one-year reduction or a multi-year reduction?

One-year ✓ Multi-year

If Multi-year:

✓ Partner will report this activity once and let EPA automatically calculate future emission reductions based on sunset date duration.

Partner will report this activity annually up to allowed sunset date.

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F. Cost Summary
Estimated cost of implementing the PRO (including equipment and labor): **$ _____**

G. Total Value of Gas Saved
Value of Gas Saved: **$ 45,514**
$ / Mcf used: **$ 7.00**

H. Planned Future Activities
To what extent do you expect to implement this PRO next year?: **We have 2 planned for 2011 and will continue to evaluate wells for capillary string installations.**

Previous Years' Activities

Year	Frequency of practice/activity or # of Installations	Total Cost * ($)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved ($)

* Total cost of practice/activity (including equipment and labor)

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BMP3: Partner Reported Opportunities (PROs)

Current Year Activities

A. Facility/location identifier information:

Oklahoma

B. Description of PRO

Please specify the technology or practice that was implemented:

Artificial lift: use compression (10 years)

Please describe how your company implemented this PRO:

Added compression at several wells to reduce well blowdowns.

C. Level of Implementation
Number of units installed: 6 units

D. Methane Emissions Reduction
Methane Emissions Reduction: **12,688 Mcf/year**

Basis for the emissions reduction estimate: **Other**

Engineering calculation based on average well production, and duration and number of vents.

E. Are these emissions reductions a one-year reduction or a multi-year reduction?

One-year ✓ Multi-year

If Multi-year:

✓ Partner will report this activity once and let EPA automatically calculate future emission reductions based on sunset date duration.

Partner will report this activity annually up to allowed sunset date.

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F. Cost Summary
Estimated cost of implementing the PRO (including equipment and labor): **$ _____**

G. Total Value of Gas Saved
Value of Gas Saved: **$ 88,816**
$ / Mcf used: **$ 7.00**

H. Planned Future Activities
To what extent do you expect to implement this PRO next year?: **Marathon continues to evaluate wells for artificial lift.**

Previous Years' Activities

Year	Frequency of practice/activity or # of Installations	Total Cost * ($)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved ($)

* Total cost of practice/activity (including equipment and labor)

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BMP3: Partner Reported Opportunities (PROs)

Current Year Activities

A. Facility/location identifier information:

Texas, Louisiana, and Oklahoma

B. Description of PRO

Please specify the technology or practice that was implemented:

Eliminate unnecessary equipment and/or systems

Please describe how your company implemented this PRO:

Marathon optimized compression in three areas, resulting in an overall decrease in 1847 hp.

C. Level of Implementation
Number of units installed: 14 units

D. Methane Emissions Reduction
Methane Emissions Reduction: **3,897 Mcf/year**

Basis for the emissions reduction estimate: **Other**

Used 2.11 MCF/yr/hp as recommended in PRO Fact Sheet No. 105.

E. Are these emissions reductions a one-year reduction or a multi-year reduction?

✓ One-year Multi-year

If Multi-year:

Partner will report this activity once and let EPA automatically calculate future emission reductions based on sunset date duration.

Partner will report this activity annually up to allowed sunset date.

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F. Cost Summary
Estimated cost of implementing the PRO (including equipment and labor): **$ _____**

G. Total Value of Gas Saved
Value of Gas Saved: **$ 27,279**
$ / Mcf used: **$ 7.00**

H. Planned Future Activities
To what extent do you expect to implement this PRO next year?: **Marathon continues to evaluate equipment needs, but there are no immediate plans for this particular opportunity in 2011.**

Previous Years' Activities

Year	Frequency of practice/activity or # of Installations	Total Cost * ($)	Estimated Reduction (Mcf/Yr)	Value of Gas Saved ($)

* Total cost of practice/activity (including equipment and labor)

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BMP3: Partner Reported Opportunities (PROs)

Current Year Activities

A. Facility/location identifier information:

Oklahoma

B. Description of PRO

Please specify the technology or practice that was implemented:

Install soap launcher/soap unit (10 years)

Please describe how your company implemented this PRO:

Marathon began using foamers/soap sticks to assist in well unloading, reducing venting.

C. Level of Implementation
Number of units installed: 1 units

D. Methane Emissions Reduction
Methane Emissions Reduction: **631 Mcf/year**

Basis for the emissions reduction estimate: **Other**

Engineering calculation based on average well production, and duration and number of vents.

E. Are these emissions reductions a one-year reduction or a multi-year reduction?

One-year ✓ Multi-year

If Multi-year:

✓ Partner will report this activity once and let EPA automatically calculate future emission reductions based on sunset date duration.

Partner will report this activity annually up to allowed sunset date.

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F. Cost Summary
Estimated cost of implementing the PRO (including equipment and labor): **$ _____**

G. Total Value of Gas Saved
Value of Gas Saved: **$ 4,417**
$ / Mcf used: **$ 7.00**

H. Planned Future Activities
To what extent do you expect to implement this PRO next year?: **Marathon continues to evaluate wells for artificial lift.**

Previous Years' Activities

Year	Frequency of practice/activity or # of Installations	Total Cost * ($)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved ($)

* Total cost of practice/activity (including equipment and labor)

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BMP3: Partner Reported Opportunities (PROs)

Current Year Activities

A. Facility/location identifier information:

North Dakota

B. Description of PRO

Please specify the technology or practice that was implemented:

Perform reduced emissions completions

Please describe how your company implemented this PRO:

Performed "green completions" - gas directly to sales line on 43 wells.

C. Level of Implementation
Number of units installed: 43 units

D. Methane Emissions Reduction
Methane Emissions Reduction: **311,715 Mcf/year**

Basis for the emissions reduction estimate: **Actual field measurement**

E. Are these emissions reductions a one-year reduction or a multi-year reduction?

✓ One-year Multi-year

If Multi-year:

Partner will report this activity once and let EPA automatically calculate future emission reductions based on sunset date duration.

Partner will report this activity annually up to allowed sunset date.

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F. Cost Summary

Estimated cost of implementing the PRO (including equipment and labor): **$ _____**

G. Total Value of Gas Saved

Value of Gas Saved: **$ 2,182,005**

$ / Mcf used: **$ 7.00**

H. Planned Future Activities

To what extent do you expect to implement this PRO next year?: **Green completions regularly occur in ND and are expected to continue in 2011.**

Previous Years' Activities

Year	Frequency of practice/activity or # of Installations	Total Cost * ($)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved ($)

* Total cost of practice/activity (including equipment and labor)

Additional Comments

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Additional Accomplishments